Levine Blaszak Block & Boothby LLP

October 10, 2007

By Electronic Filing

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 Twelfth Street, SW
Washington, DC 20554

Re: *Ex Parte Notice:* WC Docket Nos. 06-125 and 06-147

Dear Ms. Dortch:

Pursuant to Section 1.1206(b)(1) of the Commission's rules, the undersigned hereby gives notice that the written presentation attached to this letter was provided today to Scott Bergmann, Scott Deutchman, Ian Dillner, John Hunter, Chris Moore by the Ad Hoc Telecommunications Users Committee.

This letter responds to claims by some incumbent local exchange carriers ("ILECs") that certain of their higher bandwidth and/or packet switched services (*e.g.,* Ethernet, SONET, and OCn) – which they refer to as "broadband" services – are not "access" or "special access" services but instead are "interstate" services that compete in the same nation-wide market as other non-access "interstate" services. Thus, argue the carriers, their failure to introduce evidence regarding the state of competition for special access services is not fatal to their claim that these services are sufficiently competitive to justify regulator forbearance.

As a preliminary matter, all services regulated by this Commission, including access services, are "interstate" services. That is the basis for Commission jurisdiction over those services. Some interstate services are "access" services, however, as defined by the Commission in Part 69 of its rules. Interstate access services are the services ILECs provide when they use their local exchange facilities to originate and terminate interexchange traffic.[1]

Attached to this letter is a declaration by Susan M. Gately of Economics and Technology, Inc. in which she demonstrates that both this Commission *and the carriers themselves* have treated and continue to treat these so-called "broadband" services as access services. The Commission has consistently treated these services as special access services in its orders and the carriers have treated these services as special access in their tariffs, in the

[1] 47 C.F.R. § 69.2(a) and (b).

accompanying materials supporting their tariffs, and in their filings to comply with the Commission's incentive regulation rules.

As detailed in Ms. Gately's declaration, the carriers appear to be confusing the exclusion of certain packet-switched services from incentive regulation baskets (per Commission order) with the exclusion of such services from their proper access cateogries. The Commission's orders excluding these services from the special access basket in the incentive regulation regime have nothing to do with their classification as special access services. The Commission excluded these services from the special access basket because they had not been part of the Commission's investigation of ILEC productivity, which the Commission used to establish the incentive regulation rate-setting formulas. In so doing, the Commission explicitly did not disturb the access rules.

Incentive regulation baskets are not access categories, as anyone familiar with the Commission's rules should know. The carriers have demonstrated their grasp of the Commission's rules in their tariffing and pricing practices which, unlike their recent representations to this Commission, have been consistent with the Commission's long-standing access requirements and have continued to treat these services as special access services.

Sincerely,

Colleen Boothby

Counsel
Ad Hoc Telecommunications Users Committee

Attachment

cc: Scott Bergmann
Scott Deutchman
Ian Dillner
John Hunter
Chris Moore
Dana Shaffer
Marcus Maher
Christy Shewman
Jay Atkinson
Randy Clarke

Renee Crittendon
Bill Dever
Heather Hendrickson
Bill Kehoe
Al Lewis
Deena Shetler

ATTACHMENT A

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of Qwest Petition for Forbearance Under 47 U.S.C. §160(c) From Title II and *Computer Inquiry Rules* with Respect to Broadband Services Petition of AT&T Inc, For Forbearance Under 47 U.S.C. §160(c) From Title II and *Computer Inquiry Rules* with Respect to Broadband Services Petition of BellSouth Corporation For Forbearance Under 47 U.S.C. §160(c) From Title II and *Computer Inquiry Rules* with Respect to Broadband Services	**WC Docket No. 06-125**
Petition of the Embarq Local Operating Companies for Forbearance Under 47 U.S.C. §160(c) From Application of *Computer Inquiry* and certain Title II Common Carriage Requirements.	**WC Docket No. 06-147**

Declaration

of

SUSAN M. GATELY

on behalf of

AdHoc Telecommunications Users Committee

October 10, 2007

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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of Qwest Petition for Forbearance Under 47 U.S.C. §160(c) From Title II and *Computer Inquiry Rules* with Respect to Broadband Services Petition of AT&T Inc, For Forbearance Under 47 U.S.C. §160(c) From Title II and *Computer Inquiry Rules* with Respect to Broadband Services Petition of BellSouth Corporation For Forbearance Under 47 U.S.C. §160(c) From Title II and *Computer Inquiry Rules* with Respect to Broadband Services	**WC Docket No. 06-125**
Petition of the Embarq Local Operating Companies for Forbearance Under 47 U.S.C. §160(c) From Application of *Computer Inquiry* and certain Title II Common Carriage Requirements.	**WC Docket No. 06-147**

DECLARATION OF SUSAN M. GATELY

INTRODUCTION

Susan M. Gately, of lawful age, declares and says as follows:

1. My name is Susan M. Gately; I am Senior Vice President of Economics and Technology, Inc. ("ETI"), One Washington Mall, Boston, Massachusetts 02108. ETI is a research and

consulting firm specializing in telecommunications and public utility regulation and public policy. I have participated in numerous proceedings before the Federal Communications Commission ("FCC" or "Commission") dating back to 1981 and have appeared as an expert witness in state proceedings before state public utility commissions. My Statement of Qualifications is annexed hereto as Attachment 1 and is made a part hereof.

2. I have been asked by the Ad Hoc Telecommunications Users Committee ("Ad Hoc") to review and comment upon the status of the broadband interstate interLATA access service offerings of Qwest, the AT&T companies, and Embarq that are the subject of the instant Forbearance Petitions. Specifically, I have been asked:

- to document that versions of these service offerings exist as "Access Services" under the FCC rules and that these access services are offered separate and apart from any interexchange versions of similar services that the carriers may offer; and
- to provide evidence that the carriers themselves identify these versions of these services as "interstate access services" and in some cases "interstate special access services."

DOCUMENTATION OF NEWER TECHNOLOGY INTERSTATE INTERLATA SERVICES AS ACCESS SERVICES UNDER THE FCC RULES

3. Part 69 of the Commission's rules defines the interstate access structure[1]. Section 69.2.(b) defines "access services" as follows:

(b) *Access service* includes services and facilities provided for the origination or

[1] 47 CFR § 69 Access Charges.

termination of any interstate or foreign telecommunication.

Section 69.2.(s) of those same rules defines the interexchange category as:

> (s) *Interexchange or the interexchange category* includes services or facilities provided as an integral part of interstate or foreign telecommunications that is not described as ‘‘access service’’for purposes of this part.

4. As such the category of "access services" (comprised of common line, switched and special access services) includes of necessity any services or components that *connect* an end user customer to any *interstate or foreign telecommunications service* or to any *interexchange service that is an integral part of an interstate or foreign service.* By definition, any service or facility used to originate or terminate interstate or foreign telecommunications *can not be an interexchange service*.

5. By definition, connections that are dedicated (non-switched) connections fall into either the "common line" category or the "special access" category.

6. Therefore, all dedicated connections – regardless of speed or transmission protocol – offered by the each of the Petitioners to connect to "interstate or foreign telecommunications" services are "access services" and are in most cases (when not used for basic exchange access) "special access services." Quite clearly this includes not only DS1 circuits provisioned using the TDM transmission protocol, but also OC-192's and Gigabit Ethernet Services provisioned using alternate transmission protocols. Per the definitions quoted above the 'test' as to whether a "service" is "access" or "interexchange" does not relate to the transmission protocol or switching

technology used to route the "telecommunications" but rather to whether the "service or facility" is used to "originate or terminate interstate telecommunications."

7. Some apparent confusion exists relative to the categorization of access services stemming from the use of a "basket" structure under price caps that diverges from the Part 69-defined access service structure. In particular, in the *Second Report and Order* on *LEC Price Caps* released in October 1990, the Commission choose to add an additional "basket" to the three that had originally been proposed based upon the access service structure – and to include in that basket several services that would have otherwise been placed in the Special Access basket (by virtue of the fact that under the rules at the time they were Special Access Services). The Order did not change the interstate access category structure itself. The relevant portion of the Order reads as follows:

> 13. While the baskets continue to be defined by the interstate access structure contained in our Part 69 rules, we have [**12] decided to expand the number of baskets of services from three to four. The first three baskets will be common line services, traffic sensitive services, and special access services. The fourth basket is created for those LECs that offer interexchange services. As previously proposed, these offerings would have been included in the basket containing special access offerings. Inclusion of these very different services into one basket raised issues concerning the flow-through of exogenous costs that can be solved by separating the interexchange activity from interstate access. Furthermore, since these services compete with the offerings of interexchange carriers, we have decided to apply the productivity factor we use for AT&T: 3 percent. Since our short term productivity study did not include a separate evaluation of the productivity of these services, we believe it would be ill-advised to apply a higher productivity requirement to

the LECs' interexchange offerings than we apply to AT&T. [2]

The Order did in no way change the nature of what is characterized as an "access" versus an "interexchange" service – it simply created an additional basket within the Price Cap plan to separately accommodate interexchange services.

8. In the same Order setting up the rules for the FCC's Price Caps plan, the Commission choose to *exclude* a number of services from the workings of the plan specifically because those services had not been included in the initial development of the productivity offsets that were being implemented as part of the plan. Note that these services were excluded from the workings of the price caps rate adjustment formulas – not from the access service category nor from the other requirements of Part 69 (relative to cost and revenue allocation) or the access tariffs. In other words, the services remained access services (in what ever category they fell) but were excluded from the FCC's incentive regulatory plan. Among the services "excluded" was packet switching: the language specific to the packet-switching "exclusion" is found below.

> 195. We exclude certain other offerings that appear in the tariffs as well. [...] Air-ground service and packet-switched service were not subject to scrutiny as part of our investigation of LEC productivity, and should therefore be

[2] *Second Report and Order:* In the Matter of Policy and Rules Concerning Rates for Dominant Carriers; CC Docket No. 87-313 Release Number FCC 90-314; Erratum DA 90-1543. 5 FCC Rcd 6786; October 4, 1990 Released; Adopted September 19, 1990; As Corrected October 31, 1990, at para 13.

excluded. n222[3]

9. Based upon the 1990 "exclusion" of packet switching service from incentive regulation mechanisms, petitioners appear to be treating switched data service offerings (ATM, Frame, MPLS) services as similarly excluded from incentive regulation mechanisms but not from their proper access categories. Exhibit 1 to my Declaration contains excerpts from the Description and Justification material filed by Qwest as part of the 2007 Annual Access Tariff filing identifying Frame, ATM and several other new services as access services that have been "excluded" from Price Caps.

THE PETITIONERS THEMSELVES IDENTIFY THESE SERVICES AS "INTERSTATE ACCESS SERVICES" AND IN SOME CASES "INTERSTATE SPECIAL ACCESS SERVICES"

10. Qwest itself confirms the status of these services as access services by identifying these "excluded" services in Exhibit 1 as *part of* its Annual Access Tariff filing.

11. In addition to the switched data services discussed above, the Petitioners' themselves treat broadband transmission services, including SONET-based services, OCn-level dedicated facilities and ports, and Ethernet services as "access service" – and in particular Special Access Services. Exhibit 2 of my Declaration contains an excerpt from the Description and Justification material filed by Pacific Bell (an AT&T ILEC) to support one of the transmittals it filed in

[3] *Id*, at para 195.

conjunction with its 2007 Annual Access Tariff filing (Transmittal # 355). Exhibit 2 clearly demonstrates that AT&T used prices and demand units for Gigaman Ethernet Services, and SONET Nodes (at OC3, OC12 and OC48) levels in the development of the Price Caps "R" value for the Special Access Basket. Included in the full approximately 200-page long D & J (but not included in Exhibit 2 for ease of use) are many other broadband data services at speeds and using transmission protocols that are the subject of AT&T's instant Petition, all of which AT&T identified as "special access elements."

12. Exhibit 3 contains excerpts from Embarq's interstate Access Tariff documenting that it too acknowledges that its broadband data transmissions service offerings (including SONET based and Ethernet services) rightly belong in the "Special Access" caterogy of its access service tariff.

VERIFICATION

The foregoing statements are true and correct to the best of my knowledge, information, and belief.

SUSAN M. GATELY

Attachment 1

Statement of Qualifications

SUSAN M. GATELY

ECONOMICS AND
TECHNOLOGY, INC.

Statement of Qualifications

SUSAN M. GATELY

Susan M. Gately is Senior Vice President of Economics and Technology, Inc., and has been employed at ETI since 1981. Her experience and expertise encompass a wide range of telecommunications policy issues. Ms. Gately has concentrated particularly in the area of rate structures and operating characteristics of telephone companies and the mechanisms used in their regulation. Ms. Gately has been extensively involved in the analysis and design of pricing plans for large user custom telecommunications pricing plans. Ms. Gately has twenty years of experience analyzing incumbent LEC intrastate and interstate access tariffs, participating in virtually every FCC proceeding on access charges and price caps, and is among the nation's leading experts on access charge rate structure, methodology, and policy. Ms. Gately has designed and presented training sessions for corporate users and public service commission staffs in subject areas ranging from tariff structures, contract negotiation strategies and regulatory practices, to in-depth exploration of public policy issues.

Ms. Gately has also been extensively involved in the analysis of cost and operational data submitted by telephone companies in the context of regulatory proceedings and audits, including the submission of expert testimony in state public utility proceedings. Her responsibilities have involved the analysis of telephone company cost data and cost study methodologies. Ms. Gately's work has included the development of alternative cost figures for the purpose of presenting alternative rate proposals. She has participated in the preparation of expert testimony on local calling area expansion, affiliate transactions, survey and statistical methodologies, cost study methodologies, revenue requirement, infrastructure and modernization, new service pricing, access pricing, unbundled network element pricing, avoided retail costs for use in setting wholesale prices and other issues related to the opening and operation of markets.

Ms. Gately has devoted a large amount of time to the analysis of the Interstate Access Tariffs (to non-price issues as well as the more traditional cost and rate questions) since the filing of the initial access tariffs in 1983. Ms. Gately has participated in the preparation of hundreds of submissions to the FCC on issues including access service pricing and rate structures, price caps implementation, access service costs (including cost allocation of regulated and non-regulated services), and alternative forms of regulation. Among those issues recently addressed at the FCC has been the appropriate rate structure for the collection of universal service costs from end users, and rules related to the level of universal service funding that should be available to rural telecommunications service providers. Ms. Gately was also actively involved in the investigation of the level of cost to be recovered from the implementation of local number portability (LNP) and the appropriate method of recovering those costs. Ms. Gately was also been involved in modeling and analysis related to the most recent step in the FCC's reformation of iTS access charge and price caps plan — the so called "CALLS" plan.

Throughout 1994, acting as a staff expert for the Delaware PSC Staff, Ms. Gately participated actively in the litigation of rules implementing an alternative regulatory plan put in place by the

Delaware state legislature. Ms. Gately was one of the designated staff negotiators during an attempted negotiated settlement of the rules using Alternate Dispute Resolution (ADD) techniques. Subjects addressed by the PSC's Rulemaking included, among other things, the development of both incremental and fully distributed costing methodologies to be used by Bell Atlantic for use as incremental cost floors, and to ensure against cross-subsidization. She co-authored comments on behalf of staff regarding cost methodology, rate imputation, and unbundling requirements.

Ms. Gately was particularly active in the examination of ILEC cost data and deployment plans for basic rate interface (BRI) ISDN service. Ms. Gately was involved in all facets of a New England Telephone BRI ISDN investigation that culminated in an affordable, widely deployed ISDN offering in Massachusetts. She has also prepared and/or sponsored testimony and comments relative to the deployment and pricing of ISDN services in Colorado, Tennessee, Texas, Ohio, and Connecticut. Ms. Gately also co-authored two separate ISDN position papers in conjunction with Dr. Lee L. Selwyn; *A Migration Plan for Residential ISDN* for the Electronic Frontier Foundation and *The Prodigy ISDN White Paper: ISDN Has Come of Age* for Prodigy Services Company.

Ms. Gately was also heavily involved in the development of avoided cost estimates for use in setting wholesale prices in a resale environment. Ms. Gately co-authored (with Dr. Lee L. Selwyn) *Commercially Feasible Resale of Local Telecommunications Services: An Essential Step in the Transition to Effective Local Competition*. She has participated in resale proceedings and or inter-connection arbitrations (relative to wholesale pricing) in California, Hawaii, Illinois, Ohio, Nevada, and Louisiana. Ms. Gately was also involved in the analysis of issues related to the application of several of the Bell Companies for Section 271 authority to enter the interLATA long distance market. Ms. Gately has also undertaken a detailed analysis of the Continuing Property Record (CPR) audits conducted by the Accounting and Audits Division of the FCC.

More recently Ms. Gately has been involved in the analysis of issues related to the application of several of the Bell Companies for Section 271 authority to enter the interLATA long distance market. Ms. Gately has also undertaken a detailed analysis of the Continuing Property Record (CPR) audits conducted by the Accounting and Audits Division of the FCC. That analysis culminated in the preparation of a paper (written in conjunction with Dr. Lee L. Selwyn) *Inflated BOC Prices: An Agenda for State PUC Actions Arising from the FCC CPR Audits.*

Ms. Gately has assisted numerous Fortune 100 companies in the evaluation of pricing, terms and conditions as part of the long distance and local procurement process.

In addition to her regulatory work, Ms. Gately has been a frequent speaker at various industry gatherings including large conventions and more specialized seminars and conferences. The subject matters have included the following wide range of issues:

- Negotiation of custom network contracts;
- ILEC central office collocation;
- The FCC's price cap plan for ILECs;
- Principles for pricing ISDN basic rate service.

Ms. Gately has co-authored a number of papers of note not mentioned above. Specifically, Ms. Gately was co-author (and project manager) of a report authored jointly by ETI and Hatfield Associates, Inc. entitled: *The Enduring Local Bottleneck: Monopoly Power and the Local Exchange Carriers.* She also managed and co-authored (with Dr. Lee. L. Selwyn) *Access and Competition: The Vital Link* (submitted to the FCC in support of a petition by the Ad Hoc Telecommunications Users Committee requesting initiation of combined access charge and separation reform proceeding) as well as a paper entitled *LEC Price Cap Regulation: Fixing the Problems, Fulfilling the Promise* (co-authored with Dr. Lee L. Selwyn, Dr. David J. Roddy, Scott C. Lundquist and Sonia N. Jorge) filed in support of the Ad Hoc Telecommunications Users Committee's comments in the FCC's Docket 94-1 review of the LEC Price Caps Plan. Ms. Gately also co-authored *The "Connecticut Experience" with Telecommunications Competition: A Case in Getting it Wrong*, with Lee L. Selwyn and Helen E. Golding. Ms. Gately's most recent work, *Lost in Translation: How Rate of Return Regulation Transformed the Universal Service Fund for Consumers into Corporate Welfare for the RLECs,* co-authored with Scott C. Lundquist was completed and filed earlier this year in support of Western Wireless Corporation's Petition to the FCC to calculate USF funding requirements on a forward look cost basis.

Prior to joining ETI, Ms. Gately was employed as an Economic Analyst at Systems Architects, Inc. Her work there primarily involved the analysis of economic data and survey results for the Health Care Finance Administration, the Social Security Administration, and the Department of Defense. Ms. Gately graduated from Smith College with a B.A. in Economics.

Appearances in Regulatory Proceedings

United States District Court, District of New Jersey, in *Re: AT&T Corp. v. JM Telecom, LLC*, Civil Action No. 99-2578, on behalf of AT&T Corp., Expert Report filed December 5, 2003.

California Public Utilities Commission, in *Re: Order Instituting Rulemaking to Review Policies Concerning Intrastate Carrier Access Charges*, Docket No. R.03-08-018, on behalf of AT&T Communications of California, Inc. , Declaration filed November 12, 2003.

Colorado Public Utilities Commission, in *Re: Application of US West Communications, Inc. for Investigation into Switched Access Rates,* Docket No. 00A-201T, on behalf of AT&T Communications of the Mountain States, Inc., Testimony of Lee L. Selwyn, filed July 18, 2000, adopted by Susan M. Gately, cross-examined on October 17, 18, 2000.

Arizona Corporation Commission, in *Re: In the Matter of the Application of US West Communications, Inc., a Colorado Corporation, for a Hearing to Determine the Earnings of the Company, the Fair Value of the Company for Ratemeking Purposes, to Fix a Just and Reasonable Rate of Return Thereon and to Approve Rate Schedules Designed to Develop Such Return,* Docket No. T-1051B-99-105, on behalf of AT&T Communications of the Mountain States, Direct Testimony filed August 9, 2000, Supplemental Direct Testimony filed November 13, 2000.

United States District Court, District of Massachusetts, in *Re: Telephone Management Corporation, Plaintiff, v. State Street Bank and Trust Company, Defendant*, Civil Action No. 97-10993 PBS, on behalf of State Street Bank and Trust Company, Expert Report filed July 17, 1998.

Delaware Public Service Commission, in *Re: In the Matter of Development of Regulations for the Implementation of Telecommunications Technology Investment Act*, Docket No. PSC Reg. 41, on behalf of Delaware Public Service Commission Staff, cross-examination March 2, 1995.

New York Public Service Commission, in *Re: Proceeding on Motion of the Commission to Investigate Performance-Based Incentive Regulatory Plans for New York Telephone Company*, Docket No. 92-C-0665, on behalf of Cable Television Association of New York, Supplemental Testimony filed September 8, 1994.

California State Legislature, in *Re: California Long Distance Telecommunications Consumer Choice Act*, Assembly Bill 3720, on behalf of AT&T, Statement before the California State Legislature, April 11, 1994.

Tennessee Public Service Commission, in *Re: In the Matter of the Commission's Investigation of Integrated Services Digital Network (ISDN)*, on behalf of Prodigy Services Company, oral testimony, November 11, 1992.

Arizona Corporation Commission, in *Re: In the Matter of the Commission's Examination of the Rates and Charges of the Mountain States Telephone and Telegraph Company* , Docket No. E-1051-88-306, on behalf of Residential Utility Consumer Office, Direct Testimony filed July 13, 1990, Rebuttal Testimony August 7, 1990.

Exhibit 1

Excerpt of Qwest Annual Access Filing
Description and Justification

ECONOMICS AND
TECHNOLOGY, INC.

QWEST CORPORATION

ACCESS SERVICE

2007 PRICE CAP REVISIONS

2007 TARIFF REVIEW PLAN LETTER FILING

DESCRIPTION AND JUSTIFICATION

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1.4 Exclusions

The exclusions in the filing are those detailed in CC Docket 87-313, Second Report and Order, released October, 1990: Individual Case Basis (Wideband Digital and Wideband Analog), Special Construction, Packet Switching, Air to Ground, Presubscription and specific Federal Government Services. Other new services considered as exclusions include:

Introduced in 1992:	Frame Relay;
Introduced in 1994:	Frame Relay Modifications, On-Line Transfer, 900 Blocking Charge, SMDS, CNM (SMDS & FRS), DIGIPAC Gateway Routing, GETS, Virtual Collocation Elements and Frame Relay Fractional ITR
Introduced in 1995:	Frame Relay CIR & NNIT, Switched and Private Line Transport Service (PLTS) Expanded Interconnection (EIC) Reconfiguration Charge, ATM Cell Relay
Introduced in 1996:	Frame Relay Enhancement, High Altitude Electro Magnetic Pulse Protection (HEMP 622), Expanded Interconnection Service for Frame Relay Service, DS3 Sharp Plus, GETS Alternate Carrier Routing and Calling Party Number, and Fiber Optic Radio Frequency

Introduced in 1997:	ATM CRS Waiver NRC, ATM CRS New Speed, FRS Promotions, 45 Mbps Frame Relay, CRS Month-to-Month DS3 & OC3, Megabit Service, FRS Priority PVC, Packet Switching Flat Rate Structure, International Toll Blocking for Residence, Frame Relay Service Fault Tolerant FRAL Video
Introduced in 1998:	Mega Central, 128k FRAL, Phased-In Installation, ATM, FAST PlC, ATM Unspecified Bit Rate, LAN Switching Service
Introduced in 1999:	Payphone Specific Digit Charge, LNP End User Surcharge, Add Cities & DSS to SRS, MegaBit Subscriber Service, GETS Enhanced Services, Operational Measurements, ATM 40.7 MBPS, 155 MBPS Port, MegaBit Subscriber 256 KBPS/session, MegaCentral 155 Optical Access Link/MPB, MTS lntraLATA Interstate Toll (removed from Price Cap regulation)
Introduced in 2000:	FRS 45 Mbps EICT, LSS to ATM CRS Connectivity, Megabit IDSL, Modem Aggregation Service, DS1/SRS, FRS, IDSL, MAS Megacentral, FRS 44.736 NNI, Professional Megabit, Remote Access Service, Colorado Facility Reservation, ATM 0C12, and 34 Megabit Volume Plan.

Introduced in 2002: Qwest received Phase I and Phase II pricing flexibility for dedicated transport and special access services other than channel terminations to end users in 31 MSAs. For channel terminations between Qwest's end office and end user premises, Qwest received Phase I and Phase II relief in 20 MSAs. The specific services in the special access basket are: Metallic, Telegraph, Voice Grade, WATS, Audio and Video, DDS, SVDS, DS1, DS3, MBSS, SHNS, SRS, SST, and GEOMAX. The specific services in the trunking basket, which includes entrance facilities, fixed and variable mileage, multiplexers, and access tandem trunk ports, are: DSO, DS1, DS3, OC12, OC24, OC3, OC48, and OC196. (See DA 02-952, Memorandum Opinion and Order, "Qwest's Petition for Pricing Flexibility for Special Access and Dedicated Transport Services," released April 24, 2002.)

Workpaper 6 displays the broad categories of excluded services, where they are found in Qwest's tariff, and lists cites for services, now excluded, that were previously regulated under price caps, as requested by the F.C.C. in Tariff Review Plans, DA 07-1484, In the Matter of Material to be Filed in Support of 2007 Annual Access Tariff Filings, released March 29, 2007.

Services Outside of Price Cap

Rate Element Detail	Tariff Section
Special Construction/ICBs	
Special Construction/ICBs	FCC2
Collocation/Interconnection	
Virtual Collocation, Recurring and Nonrecurring	FCC1, Sec. 21
Packet Services	
Public Packet Switching Network, Recurring/Nonrecurring	FCC1, Sec. 8.2
Frame Relay, Recurring/Nonrecurring	FCC1, Sec. 8.3
ATM/Cell Relay, Recurring/Nonrecurring	FCC1, Sec. 8.5
LAN Switching Service, Recurring/Nonrecurring	FCC1, Sec. 8.6
Modem Aggregation Service, Recurring/Nonrecurring	FCC1, Sec. 8.7
Qwest DSL Port/Host/IDSL/Stand Alone, Recurring/Nonrecurring	FCC1, Sec. 8.99
Switched Access Elements	
Presubscription Charge/Nonrecurring	FCC1, Sec. 13.15
End User Charges	
LNP, Recurring	FCC1, Sec. 13.19
USF Charges, Recurring	FCC1, Sec. 13.20-21
Government Services	
Federal Government, Recurring/Nonrecurring	FCC1, Sec. 10
Pricing Flexibility	
Switched Access Services	FCC1, Sec. 16
Private Line Transport Services	FCC1, Sec. 17
Contracts	FCC1, Sec. 24
Miscellaneous/Other	
Specialized Services/Arrangements, Recurring/Nonrecurring	FCC1, Sec. 12
Engineering charges, Recurring/Nonrecurring	FCC1, Sec. 13.1-5

Services Outside of Price Cap

Rate Element Detail: Services that were in PC and have been removed	Tariff Section	Order Allowing Removal
Interexchange Services: IntraLATA Toll Services, Recurring and Nonrecurring (Removed on Nov. 9, 1999, in TRP Letter Filing)	FCC No. 4, All Sections	FCC 99-206 Fifth Report and Order and Further Notice of Proposed Rulemaking (Pricing Flexibility Order)
Pricing Flexibility: Qwest received Phase I and Phase II pricing flexibility for dedicated transport and special access services other than channel terminations to end users in 31 MSAs. For channel terminations between Qwest's end office and end user premises, Qwest received Phase and I and Phase II relief in 20 MSAs Qwest received Phase I and Phase II relief for dedicated transport and special access services other than channel terminations to end users for the following 31 MSAs: Albuquerque, NM; Bellingham, WA; Boise City, ID; Cedar Rapids, IA; Colorado Springs, CO; Davenport-Rock Island-Moline, IA-IL; Denver-Boulder, CO; Des Moines, IA; Dubuque, IA; Eugene-Springfield, OR; Fargo-Moorehead, ND-MN; Iowa City, IA; Medford, OR; Minneapolis-St. Paul, MN-WI; Olympia, WA; Omaha, NE; Phoenix, AZ; Portland, OR-WA; Provo-Orem, UT; Pueblo, CO; Rochester, MN; Salem, OR; Salt Lake City-Ogden, UT; Seattle-Everett, WA; Sioux City, IA-NE; Spokane, WA; St. Cloud, MN; Tacoma, WA; Tucson, AZ; Waterloo-Cedar Falls, IA; and Yakima, WA. Qwest received Phase I and Phase II pricing flexibility for channel terminations to end users in the following 20 MSAs: Albuquerque, NM; Bellingham, WA; Boise City, ID; Colorado Springs, CO; Davenport-Rock Island-Moline, IA-IL; Des Moines, IA; Dubuque, IA; Eugene-Springfield, OR; Fargo-Moorehead, ND-MN; Iowa City, IA; Medford, OR; Olympia, WA; Omaha, NE; Phoenix, AZ; Portland, OR-WA; Rochester, MN; Salt Lake City-Ogden, UT; Spokane, WA; St. Cloud, MN; and Yakima, WA. The specific services in the special access basket are: Metallic, Telegraph, Voice Grade, WATS, Audio and Video, DDS, SVDS, DS1, DS3, MBSS, SHNS, SRS, SST, and GEOMAX. The specific services in the trunking basket, which includes entrance facilities, fixed and variable mileage, multiplexers, and access tandem trunk ports, are: DSO, DS1, DS3, OC12, OC24, OC3, OC48, and OC196.	FCC No. 1, Sections 16 & 17	DA 02-952, Memorandum Opinion and Order (Qwest's Petition for Pricing Flexibility for Special Access and Dedicated Transport Services)

Exhibit 2

Excerpts of Pacific Bell Annual Access Filing Description and Justification

PACIFIC BELL TELEPHONE COMPANY (PBTC)
2007 ANNUAL FILING
3rd Quarter Federal Universal Service Fund (FUSF) Adjustments
DESCRIPTION AND JUSTIFICATION
FCC No. 1, Transmittal No. 355
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2007 ANNUAL FILING

Section

FUSF ADJUSTMENTS

AT&T - PBTC
CALCULATION OF 'R" VALUE (SPECIAL ACCESS BASKET)

ST	ZN	DESCRIPTION	PCI(t-1) RATE	BASE PERIOD DEMAND	'R'
CA		DS1 FIBER ADVANTAGE MONTHLY - NRC - 1ST	$500.00	0	$0
CA		DS1 FIBER ADVANTAGE MONTHLY - NRC - ADD'L	$200.00	0	$0
CA		DS1 FIBER ADVANTAGE 1 YEAR - NRC - 1ST	$500.00	0	$0
CA		DS1 FIBER ADVANTAGE 1 YEAR - NRC - ADD'L	$200.00	0	$0
CA		DS1 FIBER ADVANTAGE 3 YEAR - NRC - 1ST	$0.00	0	$0
CA		DS1 FIBER ADVANTAGE 3 YEAR - NRC - ADD'L	$0.00	0	$0
CA		DS1 FIBER ADVANTAGE 5 YEAR - NRC - 1ST	$0.00	0	$0
CA		DS1 FIBER ADVANTAGE 5 YEAR - NRC - ADD'L	$0.00	0	$0
CA		DS1 FIBER ADVANTAGE DIVERSITY	$200.00	0	$0
CA		DS1 MVP CREDIT	($12,704,362.00)	1	($12,704,362)
CA		DS1 EXPEDITE	$10,263,450.00	1	$10,263,450
CA		DS1 MISCELLANEOUS REVENUE	$1.00	0	$0
CA		DS1 MCP CREDIT	($120.00)	0	$0
CA		DS1-COLLOCATION TRANSPORT (1.544 MBPS)-FIXED	$48.00	1,491	$71,568
CA		DS1-COLLOCATION TRANSPORT (1.544 MBPS)-IOM	$10.00	41,301	$413,010
CA		DS1-COLLOCATION TRANSPORT (1.544 MBPS)-NRC-FIRST	$900.00	15	$13,500
CA		DS1-COLLOCATION TRANSPORT (1.544 MBPS)-NRC-ADDL	$900.00	0	$0
CA		DS1-COLLOCATION TRANSPORT FIBER ADVANTAGE (1.544 MBPS)-FIXED	$48.00	0	$0
CA		DS1-COLLOCATION TRANSPORT FIBER ADVANTAGE (1.544 MBPS)-IOM	$7.50	0	$0
CA		DS1-COLLOCATION TRANSPORT FIBER ADVANTAGE (1.544 MBPS)-NRC-FIRST	$500.00	0	$0
CA		DS1-COLLOCATION TRANSPORT FIBER ADVANTAGE (1.544 MBPS)-NRC-ADDL	$200.00	0	$0
CA		DS1 - TPP - COLLOCATION TRANS - CHAN MILE - FIXED - TPP 1YR	$48.00	0	$0
CA		DS1 - TPP - COLLOCATION TRANS - CHAN MILE - FIXED - TPP 2YR	$44.50	0	$0
CA		DS1 - TPP - COLLOCATION TRANS - CHAN MILE - FIXED - TPP 3YR	$42.00	4	$168
CA		DS1 - TPP - COLLOCATION TRANS - CHAN MILE - FIXED - TPP 5YR	$37.00	470	$17,390
CA		DS1 - TPP - COLLOCATION TRANS - CHAN MILE - FIXED - TPP 7YR	$34.50	352	$12,144
CA		DS1 - TPP - COLLOCATION TRANS - CHAN MILE - PER MILE - TPP 1YR	$10.05	0	$0
CA		DS1 - TPP - COLLOCATION TRANS - CHAN MILE - PER MILE - TPP 2YR	$10.05	0	$0
CA		DS1 - TPP - COLLOCATION TRANS - CHAN MILE - PER MILE - TPP 3YR	$9.90	164	$1,624
CA		DS1 - TPP - COLLOCATION TRANS - CHAN MILE - PER MILE - TPP 5YR	$9.50	15,612	$148,314
CA		DS1 - TPP - COLLOCATION TRANS - CHAN MILE - PER MILE - TPP 7YR	$9.25	10,155	$93,934
CA		DS1 - TPP - COLLOCATION TRANSPORT - NRC	$900.00	63	$56,700
CA	1	DS1 CHAN TERM	$130.00	127,295	$16,548,350
CA	1	DS1 CHAN MIL - > 0 SEG	$49.00	13,158	$644,742
CA	1	DS1 CHAN MIL - > 0 IOM	$10.10	228,363	$2,306,466
CA	1	DS1 MUX - DS1 TO VG/DIG.	$240.00	2,600	$624,000
CA	1	DS1 ENHANCED ACC. DIV. OPT - 1	$10.00	0	$0
CA	1	DS1 ENHANCED ACC. DIV. OPT. - 2	$12.00	0	$0
CA	1	DS1 ENHANCED ACC. DIV. OPT. - 3	$12.00	0	$0
CA	1	DS1 AUTO LOOP TRANS.	$179.06	0	$0
CA	1	DS1 TRANS. ARRGMNT	$5.66	0	$0
CA	1	DS1 NETWORK RECONFIG. SERVICE PER DS1	$75.00	0	$0
CA	1	DS1 ALT. SWC	$140.00	0	$0
CA	1	DS1 MUX CROSS CONNECT	$5.00	0	$0
CA	1	DS1 DVP CREDIT	$0.00	0	$0
CA	1	DS1 CHAN TERM - NRC - 1ST	$900.00	6,235	$5,611,500
CA	1	DS1 CHAN TERM - NRC - ADD'L	$900.00	80	$72,000
CA	1	DS1 CHAN TERM - NRC - PCP	$900.00	0	$0
CA	1	DS1 CHAN TERM ROLLOVER - 1ST	$230.00	0	$0
CA	1	DS1 CHAN TERM ROLLOVER - ADD'L	$206.00	0	$0
CA	1	DS1 CHAN TERM ROLLOVER - POT CHANGE - 1ST	$427.00	0	$0
CA	1	DS1 CHAN TERM ROLLOVER - POT CHANGE - ADD'L	$321.00	0	$0
CA	1	DS1 NETWORK RECONFIG. SERVICE PER DS1	$16.00	0	$0
CA	1	DS1 NETWORK RECONFIG. SERVICE PER DS0	$4.25	0	$0
CA	1	DS1 ENHANCED ACC. DIV. OPT. - 1 - NRC	$87.00	0	$0
CA	1	DS1 ENHANCED ACC. DIV. OPT. - 2 - NRC	$99.00	0	$0
CA	1	DS1 ENHANCED ACC. DIV. OPT. - 3 - NRC	$99.00	0	$0
CA	1	DS1 MUX CROSS CONNECT - NRC	$40.00	0	$0
CA	1	DS1 TPP - CHAN TERM TPP 1YR	$126.00	1,262	$159,012
CA	1	DS1 TPP - CHAN TERM TPP 2YR	$126.00	7,186	$905,436

AT&T - PBTC
CALCULATION OF 'R" VALUE (SPECIAL ACCESS BASKET)

ST	ZN	DESCRIPTION	PCI(t-1) RATE	BASE PERIOD DEMAND	'R'
CA	2	DS1 - TPP - CO MUX - DS1-DSO VOICE/DIGI - TPP 2YR	$210.00	0	$0
CA	2	DS1 - TPP - CO MUX - DS1-DSO VOICE/DIGI - TPP 3YR	$200.00	53	$10,600
CA	2	DS1 - TPP - CO MUX - DS1-DSO VOICE/DIGI - TPP 5YR	$195.00	51	$9,945
CA	2	DS1 - TPP - CO MUX - DS1-DSO VOICE/DIGI - TPP 7YR	$190.00	93	$17,670
CA	3	DS1 CHAN TERM	$145.25	156,885	$22,787,546
CA	3	DS1 CHAN MIL - > 0 SEG	$49.00	56,365	$2,761,885
CA	3	DS1 CHAN MIL - > 0 IOM	$10.15	1,242,143	$12,607,751
CA	3	DS1 MUX - DS1 TO VG/DIG.	$300.00	1,603	$480,900
CA	3	DS1 ENHANCED ACC. DIV. OPT. - 1	$10.00	24	$240
CA	3	DS1 ENHANCED ACC. DIV. OPT. - 2	$12.00	0	$0
CA	3	DS1 ENHANCED ACC. DIV. OPT. - 3	$12.00	15	$180
CA	3	DS1 AUTO. LOOP TRANS.	$179.06	0	$0
CA	3	DS1 TRANS. ARRGMNT	$5.66	0	$0
CA	3	DS1 NETWORK RECONFIG. SERVICE PER DS1	$75.00	335	$25,125
CA	3	DS1 ALT. SWC	$140.00	0	$0
CA	3	DS1 MUX CROSS CONNECT	$5.00	5,601	$28,005
CA	3	DS1 DVP CREDIT	$0.00	0	$0
CA	3	DS1 CHAN TERM - NRC - 1ST	$900.00	4,644	$4,179,600
CA	3	DS1 CHAN TERM - NRC - ADD'L	$900.00	16,243	$14,618,700
CA	3	DS1 CHAN TERM - NRC - PCP	$900.00	0	$0
CA	3	DS1 CHAN TERM ROLLOVER - 1ST	$230.00	9,592	$2,206,160
CA	3	DS1 CHAN TERM ROLLOVER - ADD'L	$206.00	9,796	$2,017,976
CA	3	DS1 CHAN TERM ROLLOVER - POT CHANGE - 1ST	$427.00	0	$0
CA	3	DS1 CHAN TERM ROLLOVER - POT CHANGE - ADD'L	$321.00	0	$0
CA	3	DS1 NETWORK RECONFIG. SERVICE PER DS1	$16.00	0	$0
CA	3	DS1 NETWORK RECONFIG. SERVICE PER DS0	$4.25	0	$0
CA	3	DS1 ENHANCED ACC. DIV. OPT. - 1 - NRC	$87.00	4	$348
CA	3	DS1 ENHANCED ACC. DIV. OPT. - 2 - NRC	$99.00	0	$0
CA	3	DS1 ENHANCED ACC. DIV. OPT. - 3 - NRC	$99.00	15	$1,485
CA	3	DS1 MUX CROSS CONNECT NRC	$40.00	1,590	$63,600
CA	3	DS1 TPP - CHAN TERM TPP 1YR	$144.00	6,628	$954,432
CA	3	DS1 TPP - CHAN TERM TPP 2YR	$139.00	7,434	$1,033,326
CA	3	DS1 TPP - CHAN TERM TPP 3YR	$133.50	31,028	$4,142,238
CA	3	DS1 TPP - CHAN TERM TPP 5YR	$121.50	205,442	$24,961,203
CA	3	DS1 TPP - CHAN TERM TPP 7YR	$118.75	80,890	$9,605,688
CA	3	DS1 TPP - CHAN MILE - FIXED TPP 1YR	$48.00	406	$19,488
CA	3	DS1 TPP - CHAN MILE - FIXED TPP 2YR	$47.50	1,595	$75,763
CA	3	DS1 TPP - CHAN MILE - FIXED TPP 3YR	$46.00	6,911	$317,906
CA	3	DS1 TPP - CHAN MILE - FIXED TPP 5YR	$41.00	48,595	$1,992,395
CA	3	DS1 TPP - CHAN MILE - FIXED TPP 7YR	$37.50	34,406	$1,290,225
CA	3	DS1 TPP - CHAN MILE - PER MILE TPP 1YR	$10.10	11,988	$121,079
CA	3	DS1 TPP - CHAN MILE - PER MILE TPP 2YR	$10.15	27,042	$274,476
CA	3	DS1 TPP - CHAN MILE - PER MILE TPP 3YR	$10.00	165,182	$1,651,820
CA	3	DS1 TPP - CHAN MILE - PER MILE TPP 5YR	$9.85	936,113	$9,220,713
CA	3	DS1 TPP - CHAN MILE - PER MILE TPP 7YR	$9.25	1,024,571	$9,477,282
CA	3	DS1 - TPP - CO MUX - DS1-DSO VOICE/DIGI - TPP 1YR	$250.00	53	$13,250
CA	3	DS1 - TPP - CO MUX - DS1-DSO VOICE/DIGI - TPP 2YR	$250.00	0	$0
CA	3	DS1 - TPP - CO MUX - DS1-DSO VOICE/DIGI - TPP 3YR	$200.00	12	$2,400
CA	3	DS1 - TPP - CO MUX - DS1-DSO VOICE/DIGI - TPP 5YR	$195.00	72	$14,040
CA	3	DS1 - TPP - CO MUX - DS1-DSO VOICE/DIGI - TPP 7YR	$190.00	112	$21,280
CA	3	DS1 - TPP - CHAN TERM - NRC	$900.00	5,789	$5,210,100
CA		DS1 SPECIAL ACCESS ORDER CHARGE	$22.00	74,261	$1,633,742
CA		DS1 SPECIAL ACCESS EXPEDITE ORDER CHARGE	$1.00	0	$0
CA		DS3-COLLOCATION TRANSPORT (45 MBPS)-FIXED-MTM	$415.00	5,036	$2,089,940
CA		DS3-COLLOCATION TRANSPORT (45 MBPS)-FIXED-MER	$415.00	0	$0
CA		DS3-COLLOCATION TRANSPORT (45 MBPS)-FIXED-1 YR	$410.00	0	$0
CA		DS3-COLLOCATION TRANSPORT (45 MBPS)-FIXED-3 YR	$405.00	0	$0
CA		DS3-COLLOCATION TRANSPORT (45 MBPS)-FIXED-5 YR	$400.00	0	$0
CA		DS3-COLLOCATION TRANSPORT (45 MBPS)-IOM-MTM	$19.25	71,707	$1,380,360
CA		DS3-COLLOCATION TRANSPORT (45 MBPS)-IOM-MER	$19.25	0	$0

AT&T - PBTC
CALCULATION OF 'R" VALUE (SPECIAL ACCESS BASKET)

ST	ZN	DESCRIPTION	PCI(t-1) RATE	BASE PERIOD DEMAND	'R'
CA	3	DS3X3 ROLLOVER - NRC - 1ST	$690.00	0	$0
CA	3	DS3X3 ROLLOVER - NRC - ADD'L	$618.00	0	$0
CA	3	DS3 ENHANCED ACC. DIV. OPT. - 1 - NRC	$87.00	0	$0
CA	3	DS3 ENHANCED ACC. DIV. OPT. - 2 - NRC	$99.00	0	$0
CA	3	DS3 ENHANCED ACC. DIV. OPT. - 33 - NRC	$99.00	4	$396
CA	3	DS3 NETWORK RECONFIG. SERVICE - HUB TO HUB	$150.00	0	$0
CA	3	DS3 NETWORK RECONFIG SERIVCE - PER DS3 RECONFIG	$140.00	0	$0
CA		DS3 MCP CREDIT	($380.00)	0	$0
CA		DS3 EXPEDITE ORDER CHARGE - SPECIAL	$2,219,500.00	1	$2,219,500
CA		DS3 SPECIAL ACCESS ORDER CHARGE	$22.00	6,342	$139,524
CA		GigaMAN -Local Distribution Channel - MER	$3,800.00	55	$209,000
CA		GigaMAN -Local Distribution Channel - 1 yr	$3,300.00	13	$42,900
CA		GigaMAN -Local Distribution Channel - 3 yr	$2,850.00	214	$609,900
CA		GigaMAN -Local Distribution Channel - 5 yr	$2,500.00	124	$310,000
CA		GigaMAN - Interoffice Transport Mileage - Fixed - MER	$250.00	0	$0
CA		GigaMAN - Interoffice Transport Mileage - Fixed - 1 yr	$250.00	0	$0
CA		GigaMAN - Interoffice Transport Mileage - Fixed - 3 yr	$200.00	0	$0
CA		GigaMAN - Interoffice Transport Mileage - Fixed - 5 yr	$100.00	18	$1,800
CA		GigaMAN - Interoffice Transport Mileage - IOM - MER	$125.00	0	$0
CA		GigaMAN - Interoffice Transport Mileage - IOM - 1 yr	$125.00	0	$0
CA		GigaMAN - Interoffice Transport Mileage - IOM - 3 yr	$100.00	0	$0
CA		GigaMAN - Interoffice Transport Mileage - IOM - 5 yr	$75.00	684	$51,300
CA		GigaMAN - Admin Charge	$60.00	23	$1,380
CA		Gigaman - Design CO Connection Charge	$60.00	12	$720
CA		Gigaman - Customer Connection Charge	$60.00	44	$2,640
CA		GIGAMAN - LOCAL CHAN DIVERSITY - PER CHAN TERM - 1GBPS - MER	$750.00	0	$0
CA		GIGAMAN - LOCAL CHAN DIVERSITY - PER CHAN TERM - 1GBPS - 1YR	$750.00	0	$0
CA		GIGAMAN - LOCAL CHAN DIVERSITY - PER CHAN TERM - 1GBPS - 3YR	$750.00	0	$0
CA		GIGAMAN - LOCAL CHAN DIVERSITY - PER CHAN TERM - 1GBPS - 5YR	$750.00	0	$0
CA		GIGAMAN - LOCAL CHAN DIVERSITY - PER CHAN TERM - 1GBPS - NRC	$0.00	0	$0
CA		GIGAMAN - INTER WIRE CENTER DIVERSITY - PER CHAN TERM - 1GBPS - MER	$500.00	0	$0
CA		GIGAMAN - INTER WIRE CENTER DIVERSITY - PER CHAN TERM - 1GBPS - 1YR	$500.00	0	$0
CA		GIGAMAN - INTER WIRE CENTER DIVERSITY - PER CHAN TERM - 1GBPS - 3YR	$500.00	0	$0
CA		GIGAMAN - INTER WIRE CENTER DIVERSITY - PER CHAN TERM - 1GBPS - 5YR	$500.00	0	$0
CA		GIGAMAN - INTER WIRE CENTER DIVERSITY - PER CHAN TERM - 1GBPS - NRC	$0.00	0	$0
CA		GIGAMAN - ALTERNATE WIRE CENTER DIVERSITY - PER CHAN TERM - 1GBPS - MER	$1,200.00	0	$0
CA		GIGAMAN - ALTERNATE WIRE CENTER DIVERSITY - PER CHAN TERM - 1GBPS - 1YR	$1,200.00	0	$0
CA		GIGAMAN - ALTERNATE WIRE CENTER DIVERSITY - PER CHAN TERM - 1GBPS - 3YR	$1,200.00	0	$0
CA		GIGAMAN - ALTERNATE WIRE CENTER DIVERSITY - PER CHAN TERM - 1GBPS - 5YR	$1,200.00	0	$0
CA		GIGAMAN - ALTERNATE WIRE CENTER DIVERSITY - PER CHAN TERM - 1GBPS - NRC	$0.00	0	$0
CA		GIGAMAN - DecaMAN LAN LOCAL CHAN DISTRIBUTION - - 10GBPS - MER	$18,000.00	0	$0
CA		GIGAMAN - DecaMAN LAN LOCAL CHAN DISTRIBUTION - - 10GBPS - 1YR	$15,000.00	0	$0
CA		GIGAMAN - DecaMAN LAN LOCAL CHAN DISTRIBUTION - - 10GBPS - 2YR	$12,000.00	0	$0
CA		GIGAMAN - DecaMAN LAN LOCAL CHAN DISTRIBUTION - - 10GBPS - 3YR	$8,500.00	0	$0
CA		GIGAMAN - DecaMAN LAN LOCAL CHAN DISTRIBUTION - - 10GBPS - 5YR	$7,250.00	0	$0
CA		GIGAMAN - DecaMAN LAN LOCAL CHAN DISTRIBUTION - - 10GBPS - NRC	$0.00	0	$0
CA		GIGAMAN - DecaMAN LAN INTEROFFICE TRANSPORT MILAGE - - FIXED - MER	$3,600.00	0	$0
CA		GIGAMAN - DecaMAN LAN INTEROFFICE TRANSPORT MILAGE - - FIXED - 1YR	$2,700.00	0	$0
CA		GIGAMAN - DecaMAN LAN INTEROFFICE TRANSPORT MILAGE - - FIXED - 2YR	$1,800.00	0	$0
CA		GIGAMAN - DecaMAN LAN INTEROFFICE TRANSPORT MILAGE - - FIXED - 3YR	$1,275.00	0	$0
CA		GIGAMAN - DecaMAN LAN INTEROFFICE TRANSPORT MILAGE - - FIXED - 5YR	$1,150.00	0	$0
CA		GIGAMAN - DecaMAN LAN INTEROFFICE TRANSPORT MILAGE - - FIXED - NRC	$0.00	0	$0
CA		GIGAMAN - DecaMAN LAN INTEROFFICE TRANSPORT MILAGE - - 10GBPS - MER	$425.00	0	$0
CA		GIGAMAN - DecaMAN LAN INTEROFFICE TRANSPORT MILAGE - - 10GBPS - 1YR	$300.00	0	$0
CA		GIGAMAN - DecaMAN LAN INTEROFFICE TRANSPORT MILAGE - - 10GBPS - 2YR	$250.00	0	$0
CA		GIGAMAN - DecaMAN LAN INTEROFFICE TRANSPORT MILAGE - - 10GBPS - 3YR	$125.00	0	$0
CA		GIGAMAN - DecaMAN LAN INTEROFFICE TRANSPORT MILAGE - - 10GBPS - 5YR	$100.00	0	$0
CA		GIGAMAN - DecaMAN LAN INTEROFFICE TRANSPORT MILAGE - - 10GBPS - NRC	$0.00	0	$0
CA		GIGAMAN - DecaMAN LAN REPEATER - - FIXED - MER	$7,200.00	0	$0
CA		GIGAMAN - DecaMAN LAN REPEATER - - FIXED - 1YR	$6,000.00	0	$0

AT&T - PBTC
CALCULATION OF 'R" VALUE (SPECIAL ACCESS BASKET)

ST	ZN	DESCRIPTION	PCI(t-1) RATE	BASE PERIOD DEMAND	'R'
CA		SONET R&ACC DED RING FEE - LOC. LOOP 2.4 GBPS (OC48) 3 YR	$1,600.00	0	$0
CA		SONET R&ACC DED RING FEE - LOC. LOOP 2.4 GBPS (OC48) 5 YR	$1,300.00	161	$209,300
CA		SONET R&ACC - ALTERNATE WIRE CENTER 155 MBPS (OC3) - 3 YR	$1,100.00	0	$0
CA		SONET R&ACC - ALTERNATE WIRE CENTER 155 MBPS (OC3) - 5 YR	$900.00	0	$0
CA		SONET R&ACC - ALTERNATE WIRE CENTER 622 MBPS (OC12) - 3 YR	$1,200.00	0	$0
CA		SONET R&ACC - ALTERNATE WIRE CENTER 622 MBPS (OC12) - 5 YR	$1,000.00	24	$24,000
CA		SONET R&ACC - ALTERNATE WIRE CENTER 2.4 GBPS (OC48) - 3 YR	$2,100.00	0	$0
CA		SONET R&ACC - ALTERNATE WIRE CENTER 2.4 GBPS (OC48) - 5 YR	$1,750.00	12	$21,000
CA		SONET R&ACC CO NODE - DED RING 155 MBPS (OC3) 3 YR	$1,700.00	0	$0
CA		SONET R&ACC CO NODE - DED RING 155 MBPS (OC3) 5 YR	$1,300.00	0	$0
CA		SONET R&ACC CO NODE - DED RING 622 MBPS (OC12) 3 YR	$1,900.00	0	$0
CA		SONET R&ACC CO NODE - DED RING 622 MBPS (OC12) 5 YR	$1,500.00	72	$108,000
CA		SONET R&ACC CO NODE - DED RING 2.4 GBPS (OC48) 3 YR	$4,450.00	0	$0
CA		SONET R&ACC CO NODE - DED RING 2.4 GBPS (OC48) 5 YR	$3,350.00	356	$1,192,600
CA		SONET R&ACC PREM NODE FOR DED RING 155 MBPS (OC3) 3 YR	$2,250.00	0	$0
CA		SONET R&ACC PREM NODE FOR DED RING 155 MBPS (OC3) 5 YR	$1,400.00	0	$0
CA		SONET R&ACC PREM NODE FOR DED RING 622 MBPS (OC12) 3 YR	$2,500.00	0	$0
CA		SONET R&ACC PREM NODE FOR DED RING 622 MBPS (OC12) 5 YR	$1,800.00	120	$216,000
CA		SONET R&ACC PREM NODE FOR DED RING 2.4 GBPS (OC48) 3 YR	$5,200.00	0	$0
CA		SONET R&ACC PREM NODE FOR DED RING 2.4 GBPS (OC48) 5 YR	$4,250.00	96	$408,000
CA		SONET R&ACC - NODES - CUST. PROV. FOR DED RING 155 MBPS (OC3) 3 YR	$700.00	0	$0
CA		SONET R&ACC - NODES - CUST. PROV. FOR DED RING 155 MBPS (OC3) 5 YR	$600.00	0	$0
CA		SONET R&ACC - NODES - CUST. PROV. FOR DED RING 622 MBPS (OC12) 3 YR	$800.00	0	$0
CA		SONET R&ACC - NODES - CUST. PROV. FOR DED RING 622 MBPS (OC12) 5 YR	$700.00	0	$0
CA		SONET R&ACC - NODES - CUST. PROV. FOR DED RING 2.4 GBPS (OC12) 3 YR	$900.00	0	$0
CA		SONET R&ACC - NODES - CUST. PROV. FOR DED RING 2.4 GBPS (OC12) 5 YR	$800.00	12	$9,600
CA		SONET R&ACC - NODES - CO NODE FOR TWO POINT CKT 622 MBPS (OC12/C) - MTM	$4,500.00	0	$0
CA		SONET R&ACC - NODES - CO NODE FOR TWO POINT CKT 622 MBPS (OC12/C) - 1 YR	$4,000.00	0	$0
CA		SONET R&ACC - NODES - CO NODE FOR TWO POINT CKT 622 MBPS (OC12/C) - 3 YR	$3,000.00	0	$0
CA		SONET R&ACC - NODES - CO NODE FOR TWO POINT CKT 622 MBPS (OC12/C) - 5 YR	$2,100.00	0	$0
CA		SONET R&ACC - NODES - CO NODE FOR TWO POINT CKT 622 MBPS (STS12) M-T-M	$4,500.00	0	$0
CA		SONET R&ACC - NODES - CO NODE FOR TWO POINT CKT 622 MBPS (STS12) 1 YR	$4,000.00	0	$0
CA		SONET R&ACC - NODES - CO NODE FOR TWO POINT CKT 622 MBPS (STS12) 3 YR	$3,000.00	0	$0
CA		SONET R&ACC - NODES - CO NODE FOR TWO POINT CKT 622 MBPS (STS12) 5 YR	$2,100.00	0	$0
CA		SONET R&ACC - NODES - CO NODE FOR TWO POINT CKT 155 MBPS (OC3/3C) M-T-M	$1,500.00	0	$0
CA		SONET R&ACC - NODES - CO NODE FOR TWO POINT CKT 155 MBPS (OC3/3C) 1 YR	$1,250.00	2	$2,500
CA		SONET R&ACC - NODES - CO NODE FOR TWO POINT CKT 155 MBPS (OC3/3C) 3 YR	$1,000.00	7	$7,000
CA		SONET R&ACC - NODES - CO NODE FOR TWO POINT CKT 155 MBPS (OC3/3C) 5 YR	$700.00	35	$24,500
CA		SONET R&ACC - NODES - CO NODE FOR TWO POINT CKT 51 MBPS (STS1 OR DS3) M-T-M	$450.00	46	$20,700
CA		SONET R&ACC - NODES - CO NODE FOR TWO POINT CKT 51 MBPS (STS1 OR DS3) 1 YR	$400.00	114	$45,600
CA		SONET R&ACC - NODES - CO NODE FOR TWO POINT CKT 51 MBPS (STS1 OR DS3) 3 YR	$300.00	258	$77,400
CA		SONET R&ACC - NODES - CO NODE FOR TWO POINT CKT 51 MBPS (STS1 OR DS3) 5 YR	$220.00	2,638	$580,360
CA		SONET R&ACC PREM ACC PORT 100 MBPS Ethernet OC-3 M-T-M	$225.00	0	$0
CA		SONET R&ACC PREM ACC PORT 100 MBPS Ethernet OC-3 3 YR	$145.00	0	$0
CA		SONET R&ACC PREM ACC PORT 100 MBPS Ethernet OC-3 5 YR	$130.00	0	$0
CA		SONET R&ACC PREM ACC PORT 100 MBPS Ethernet OC-12 M-T-M	$225.00	0	$0
CA		SONET R&ACC PREM ACC PORT 100 MBPS Ethernet OC-12 3 YR	$145.00	0	$0
CA		SONET R&ACC PREM ACC PORT 100 MBPS Ethernet OC-12 5 YR	$130.00	0	$0
CA		SONET R&ACC PREM ACC PORT 100 MBPS Ethernet OC-12 M-T-M (STS-3C)	$280.00	0	$0
CA		SONET R&ACC PREM ACC PORT 100 MBPS Ethernet OC-12 3 YR (STS-3C)	$180.00	0	$0
CA		SONET R&ACC PREM ACC PORT 100 MBPS Ethernet OC-12 5 YR (STS-3C)	$160.00	0	$0
CA		SONET R&ACC PREM ACC PORT 1 GBPS Ethernet OC-12 M-T-M	$350.00	0	$0
CA		SONET R&ACC PREM ACC PORT 1 GBPS Ethernet OC-12 3 YR	$250.00	0	$0
CA		SONET R&ACC PREM ACC PORT 1 GBPS Ethernet OC-12 5 YR	$200.00	0	$0
CA		SONET R&ACC PREM ACC PORT 1 GBPS Ethernet OC-12 M-T-M (STS-3C)	$350.00	0	$0
CA		SONET R&ACC PREM ACC PORT 1 GBPS Ethernet OC-12 3 YR (STS-3C)	$250.00	0	$0
CA		SONET R&ACC PREM ACC PORT 1 GBPS Ethernet OC-12 5 YR (STS-3C)	$200.00	0	$0
CA		SONET R&ACC PREM ACC PORT 100 MBPS Ethernet OC-48 M-T-M	$200.00	0	$0
CA		SONET R&ACC PREM ACC PORT 100 MBPS Ethernet OC-48 3 YR	$145.00	0	$0
CA		SONET R&ACC PREM ACC PORT 100 MBPS Ethernet OC-48 5 YR	$130.00	0	$0

Exhibit 3

Embarq Access Tariff
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ECONOMICS AND
TECHNOLOGY, INC.

ACCESS SERVICE

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